



August 12, 2019

VOLUNTARY FILING – INTENTION TO PURSUE DISPUTE RESOLUTION PROCESS

On July 26, 2019, Great Hall Partners LLC (the “**Developer**”) formally submitted various Relief Event Claims to the City and County of Denver, acting by and on behalf of its Department of Aviation (the “**Owner**”) claiming monetary and schedule relief from the Owner in connection with the occurrence of various Relief Events as set forth and defined in that certain Development Agreement, dated (and effective) as of August 24, 2017, by and between the Developer and the Owner. In particular, the Developer claimed relief due to, among other events, (i) the discovery of weak concrete in some areas of the Terminal, which was not known by the Developer prior to entering into the Development Agreement and which is inconsistent with related information set forth in the Development Agreement, and (ii) the Owner’s issuance of 20 Change Directives to the original scope of the work, many of which were large in scale, and often badly timed and imprecise requiring significant time to clarify with the Owner. The discovery by the Developer of such weak concrete and the Owner’s actions in respect of the Change Directives have resulted in the delays, additional costs and entitlements previously disclosed by the Developer (as the same continue to grow due to the delay by the Owner in timely resolving the same).

On August 9, 2019, the Owner denied the Compensation Event Claim related to the discovery of weak concrete in some areas of the Terminal.

The Developer is disappointed with the Owner’s full rejection of the Relief Event related to the time and cost overruns caused by the weak concrete discovered in some areas of the Terminal, as outlined in our July 26, 2019 Relief Event Claim. The Owner’s decision, with its limited explanation, forces the Developer to proceed with the Dispute Resolution Process, as foreseen by the Development Agreement. The Developer categorically disagrees with the Owner’s assertions and believes that the Developer is rightly entitled to the relief set forth in its claims.

The dispute resolution process is, by its nature, long and expensive for everyone involved. For that reason, among others, the Developer is willing to negotiate with the Owner in good faith to find a mutually acceptable resolution to these issues. The Developer remains committed to delivering the Project to the public as quickly and efficiently as possible.